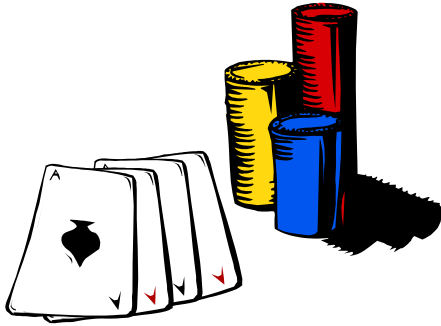


General Information about Texas Hold'em and Social Gambling in Iowa



Texas Hold'em is fast becoming one of the most popular card games in America, thanks in part to such television shows as "*The World Series of Poker*." Despite its popularity and the increased frequency with which tournaments are being held around the country, **Texas Hold'em** and similar poker tournaments may not be legal in the State of Iowa.

Note: The following information about **Texas Hold'em** and social gambling does not constitute legal advice. Anyone interested in conducting a **Texas Hold'em** tournament should consult a private attorney for advice.

Gambling Prohibited

In general, Iowa Code Chapter 725, the state's vice chapter, prohibits all forms of gambling unless Iowa law expressly authorizes the activity. Specifically, Iowa Code § 725.5 provides that "[a]ny person who keeps a house, shop, or place resorted to for the purpose of gambling, or permits any person in any house, shop or other place under the person's control or care to conduct bookmaking or play at cards, dice, faro, roulette, equality, punchboard, slot machine or any other game for money or other thing, commits a serious misdemeanor."

Gambling Without Using Currency May Still Be Illegal

"Gambling" may be defined as something of value ventured for the opportunity to win a prize, including enterprises of skill and prowess, as well as chance enterprises. A gambling activity, therefore, is a scheme that involves a prize, chance, and consideration. Although a particular game may not involve actual currency but, rather, may use some other type of chip or marker for betting purposes, it is still gambling. Iowa Code § 725.5 references games for money or "other thing." Thus, the presence or absence of currency is not determinative of whether the game is illegal. The game may still be illegal even if there is no cash on the table.

Permitted Forms of Gambling

Iowa law expressly authorizes certain forms of gambling under certain conditions. Iowa Code chapters 99D, 99E, and 99F specifically authorize Iowa's pari-mutuel, Lottery, and riverboat gambling, respectively. In addition, Iowa Code Chapter 99B authorizes certain limited forms of social and charitable gambling. In order to legally conduct a game of skill or chance, the players must strictly adhere to the requirements of Iowa Code Chapter 99B, some sections of which impose a license requirement before the games may be conducted. Card and parlor games in the following list are permissible provided the activity takes place in an establishment licensed for social gambling:

- | | | |
|-------------|------------|--------------|
| • Poker | • Euchre | • Chess |
| • Pinochle | • Hearts | • Backgammon |
| • Pitch | • Cribbage | • Darts |
| • Gin Rummy | • Dominoes | • Pool |
| • Bridge | • Checkers | |

However, other **limitations** apply to these games for which no license is required.

Limited Games Between Individuals

Individuals may participate in a gambling activity **only** if all of the following conditions are met:

1. There is a bona fide social relationship between all participants.
2. The gambling activity does not occur in or on school property.
3. All participants are gambling as individuals and nobody is acting as an agent on behalf of another individual.
4. All gambling must be fair and honest.
5. No individual receives any type of compensation as a result of the gambling activity other than the participant's winnings.
6. No person involved in an athletic sport sponsored by an educational institution may participate in sports betting.
7. No participant may win or lose more than \$50 in a 24-hour period.
8. No participant shall be required to pay an entry fee, cover charge, or other charge in order to participate in the gambling activity.
9. If the game requires a dealer then each individual participating shall have an opportunity to serve as the dealer.